



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
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Non Streamlined International Applications/Petitions Accepted For Filing
Section 214 Applications (47 C.F.R. § 63.18); Section 310(b) Petitions

Unless otherwise specified, the following procedures apply to the applications listed below:

The applications listed below have been found, upon initial review, to be acceptable for filing. These applications are not subject to the streamlined processing procedures set forth in Section 63.12 of the Commission's rules, 47 C.F.R. § 63.12. These applications shall not be deemed granted until the Commission affirmatively acts upon the application, either by public notice or by written order. Operation for which authorization is sought may not commence except in accordance with any terms or conditions imposed by the Commission.

Unless otherwise specified, interested parties may file comments with respect to these applications within 28 days of the date of this public notice. We request that such comments refer to the application file number shown below. No application listed below shall be granted by the Commission earlier than the day after the date specified in this public notice for the filing of comments.

Unless otherwise specified, ex parte communications between outside parties and Commission staff concerning these applications are permitted subject to the Commission's rules for "permit-but-disclose proceedings." See 47 C.F.R. § 1.1206.

Copies of all applications listed here are available for public inspection in the FCC Reference and Information Center, located in room CY-A257 at the Portals 2 building, 445 12th Street SW, Washington DC 20554. The center can be contacted at (202) 418-0270. People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty). All applications listed are subject to further consideration and review, and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations, and other requirements.

Petition for Declaratory Ruling

2014 AWS Spectrum Bidco Corporation (Bidco or "Petitioner") has filed a petition for declaratory ruling ("Petition") pursuant to section 310(b)(4) of the Communications Act of 1934, as amended, 47 U.S.C. § 310(b)(4), and section 1.990(a)(1) of the Commission's rules, 47 C.F.R. § 1.990(a)(1), that it would not serve the public interest to prohibit indirect foreign ownership in Bidco in excess of the 25 percent foreign ownership benchmark in section 310(b)(4). Bidco filed its petition to qualify to bid on Advanced Wireless Services (AWS-3) licenses in Auction 97. See ULS File No. 0006670619. Bidco was announced as the winning bidder for a number of licenses.

Bidco is a Delaware corporation that is wholly owned by 2014 AWS Spectrum Partnership, LP (Spectrum Partnership), a Delaware limited partnership. The general partner of Spectrum Partnership is Jarvinian AWS3 LLC (Jarvinian), a Delaware limited liability company. The sole member of Jarvinian is John A. Dooley, a U.S. citizen. Jarvinian directly holds 100 percent of the voting interests and a 1 percent equity interest in Spectrum Partnership.

The limited partner of Spectrum Partnership is TerreStar Corporation (TerreStar), a Delaware entity. According to the Petition, TerreStar holds no voting interest in Spectrum Partnership but directly holds 99 percent of its equity interests. The Petition states that approximately 71.53 percent of TerreStar's equity and voting interests are held directly by three entities: (1) Highland Crusader Offshore Partners, L.P., a Bermuda limited partnership (17.34% equity and voting interest) ("HCOP"); (2) Highland Global Allocation Fund, a U.S. trust (10.53% equity and voting interest); and (3) Sola Ltd, a Cayman Islands exempted company (43.66% equity and voting interest). The remaining 28.47 percent of TerreStar is owned by diverse smaller shareholders, of which 14.25 percent are foreign. Bidco thus estimates that total foreign equity and voting interests held directly in TerreStar is 75.25 percent and that, based on this amount, the total foreign equity interest held indirectly in Spectrum Partnership is 72.07 percent.

According to the Petition, HCOP is ultimately controlled by James Dondero, a U.S. citizen, through a series of intermediate U.S.-organized entities. Three limited partners jointly hold 100 percent of the equity in HCOP: Highland Crusader Fund, Ltd., a Bermuda corporation, (3.89%); Highland Crusader Fund, L.P., a Delaware limited partnership (18.54%); and Highland Crusader Fund II, Ltd., a Bermuda corporation (77.57%). Bidco states that the equity interest in Highland Crusader Fund, L.P. is distributed among numerous limited partners, none of which indirectly holds 10 percent or more of the equity in HCOP and none are foreign individuals or entities holding more than 5 percent indirect equity interest in Spectrum Partnership. The equity interest in Highland Crusader Fund II, Ltd. is also held by numerous shareholders, none of which indirectly holds 10 percent or more of the equity in HCOP and none are foreign individuals or entities holding more than 5 percent indirect equity interest in Spectrum Partnership.

Turning to Highland Global Allocation Fund, the Petition states that no interest holder has a 10 percent or greater indirect equity interest in Spectrum Partnership and none are foreign individuals or entities holding more than 5 percent of the equity in Spectrum Partnership.

The Petition states that three entities hold virtually all of the equity and voting interests in Sola Ltd: Sola Intermediate Fund Ltd, a Cayman Islands exempted company (59.88% equity and voting interests) (Sola Intermediate Fund); Solus Core Opportunities, LP, a U.S. limited partnership (10.33% equity and voting interests) (Solus Core); and Solus LLC, a U.S. limited liability company (22.05% equity and voting interests) (collectively, the "Sola Funds"). According to the Petitioner, the Sola Funds have delegated responsibility for portfolio management decisions to Solus Alternative Asset Management LP (Solus), a Delaware limited partnership that serves as investment advisor to the funds. Thus, it states, Solus - not any passive fund investor - has control over investment management decisions.

According to the Petition, the majority of Sola Intermediate Fund's equity and voting interests (79.77%) are held by Sola I, a Cayman Islands exempted company. The Petition identifies the remaining 20.23 percent equity and voting interest in Sola Intermediate Fund as being held by SMS Ltd, a Cayman Islands exempted company. Two parties hold significant interests in Sola I. First, a U.S. investment company advised by a U.S. investment advisor that invests in other private funds holds a 12.59 percent equity and voting interest in Sola I. According to the Petition, this entity is a passive investor that does not have any control over fund portfolio positions, including TerreStar. Second, Sola II LLC, a Delaware limited liability company, holds a 19.55 percent equity and voting interest in Sola I. In turn, a sovereign wealth fund holds a 99.37 percent equity and voting interest in Sola II LLC. The Petition asserts that the entity is a passive investor that does not have any control (voting or otherwise) over fund portfolio positions, including TerreStar. According to the Petition, neither of these passive investors holds a 10 percent or greater indirect equity interest in Spectrum Partnership. The Petitioner also represents that no foreign individual or entity invested in the Sola Funds holds more than 5 percent of the equity interest in Spectrum Partnership.

As to the ownership of Solus Core, the Petitioner states that 99.94 percent of its equity interests are held by a fully insulated U.S. state public pension plan that is a passive investor and has no control (voting or otherwise) over fund portfolio positions, including TerreStar. The Petition states that the ownership interests in Solus LLC are held by numerous parties, none of which holds a 10 percent or greater indirect equity interest in Spectrum Partnership. It also represents that none are foreign individuals or entities holding more than 5 percent of the equity interest in Spectrum Partnership.

Pursuant to section 1.991(i) of the rules, Bidco requests that the Commission specifically approve indirect foreign equity interests in Bidco's U.S. parent, Spectrum Partnership, as follows:

Highland Crusader Offshore Partners, L.P. (17.17% indirect equity interest in Spectrum Partnership through TerreStar);
Highland Crusader Fund II, Ltd. (13.32% indirect equity interest through Highland Crusader Offshore Partners, L.P., and, in turn, through TerreStar);
Sola Ltd (43.22% indirect equity interest through TerreStar);
Sola Intermediate Fund Ltd (25.60% indirect equity interest through Sola Ltd and, in turn, through TerreStar); and
Sola I (20.42% indirect equity interest Sola Intermediate Fund Ltd, and, in turn, through TerreStar).

Bidco asserts that the requested declaratory ruling is fully consistent with the standard set forth in section 310(b)(4) of the Act, the Commission's foreign ownership rules for common carrier licensees and prior Commission precedent. Accordingly, it states, the public interest would be served by granting the Petition.

Interested parties may file comments on or before May 11, 2015, and reply comments on or before May 18, 2015.

REMINDER:

Applicants must certify that neither the applicant nor any party to the application is subject to a denial of federal benefits by federal and/or state courts under authority granted in 21 U.S.C. § 862. See 47 C.F.R. §§ 1.2001–.2003.